A Conversation With Admiral B. R. Inman On Congressional Oversight

And the need for senior government executives to take responsibility and risks in order for oversight to work.

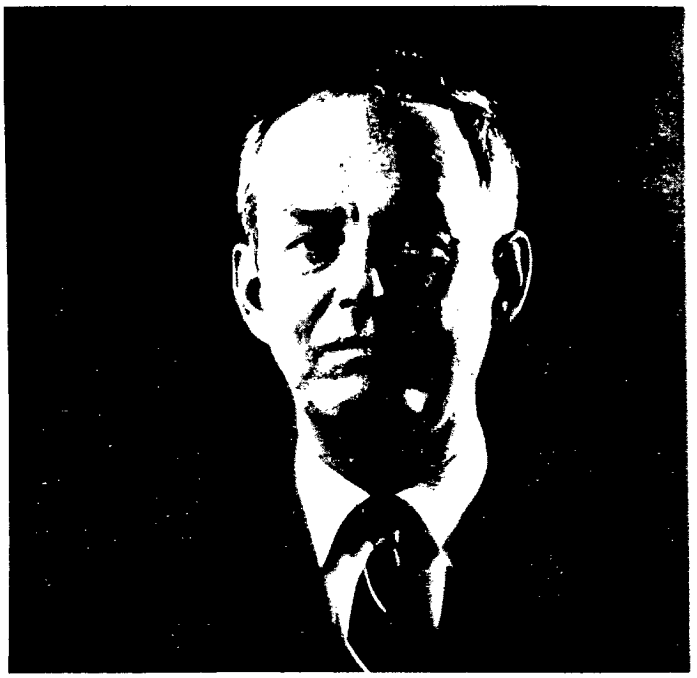

TABLE OF CONTENTS

Admiral Inman On Congressional Oversight Of Intelligence Activity 2

Admiral Inman On Managing In The Public And Private Sectors 6

Admiral Inman On The Center 7

Admiral B. R. Inman is Chairman and Chief Executive Officer at Westmark Systems Inc., a defense-electronics holding company in Austin, Texas dedicated to improving the rate of development and the efficient use of new technology in the defense industry. His mission is to acquire defense electronics firms that have the potential for significant gains in both business and technological performance.

Admiral Inman was in the Navy for 30 years, serving tours as Director of Naval Intelligence, Vice Director of the Defense Intelligence Agency, Director of the National Security Agency and Deputy Director of Central Intelligence.

Upon retiring from the Navy in 1982 he spent four years creating Microelectronics & Computer Technology Corporation (MCC). This exciting organization is an unprecedented joint venture in research and development by private sector computer and electronics companies. The purpose of MCC is to help maintain U. S. technological preeminence and international competitiveness in microelectronics and computers.

In 1986 Admiral Inman became a Principal of The Center For Excellence. On June 5th, 1987, a group of Principals met with Admiral Inman to hear his views on government management. On the following pages, The Center presents a summarized version of Admiral Inman's remarks. A full transcript can be obtained by writing to the Center For Excellence, 20 F Street, N.W., Washington, D.C., 20001.

Admiral Inman On Congressional Oversight Of Intelligence Activity

CONGRESSIONAL OVERSIGHT OF INTELLIGENCE IS ABSOLUTELY ESSENTIAL

In 1974, after 22 years in the Navy, I came to be the Director of Naval Intelligence. That is great for the ego, but two months after I got there, the Senate Church Committee and the House Pike Committee began investigating the CIA.

There were two primary areas of concern. One was whether the Navy had helped in any of the assassination efforts against Castro, and the other was about the value versus the risks of our undersea reconnaissance programs.

If there was a lesson to be learned out of the mid 1970s, it is the value of oversight. Some measure of oversight is absolutely essential for ongoing public support and flow of dollars. Therefore the Executive Branch has to work hard with the leadership of the Congress to make intelligence oversight work.

"The challenge is to make the oversight process work, not to try to get out from under the onerous constraints."

In the great old days in the 1950s you told four chairmen what you needed in the way of money and -- at their preference -- provided no details on how you were going to use it. Those days simply are never going to occur again. So the challenge is to make the process work, not to try to get out from under the onerous constraints. But it will never work effectively if there is a sense on the Hill that they have to ask the right question in order to find out what is going on.

IT TAKES PLANNING AND PREPARATION TO MAKE OVERSIGHT WORK

The Church and Pike Committees employed very large staffs and turned those staffs loose on hunting expeditions. I met with every one of those staffers, found out what areas they were pursuing, and what they wanted to look at. I told them that since I was brand new I intended to do my own investigation and that I would read every file they read. Sometimes I read them before they did, sometimes after they did. And then we talked about what was in the files. This process was very helpful.

When I finally went to the Hill to testify, there were no surprises. There were differing views on what the files contained and on the significance of them. The lesson I drew is that if you've got a reasonable story to tell and you are ready to deal with it candidly, you will get a good hearing from the Congress.

Not a single one of my colleagues in other intelligence agencies had ever been in a job where they spent any time watching their agency's ongoing interaction with Congress. I had that experience while serving as Executive Assistant to the Navy's Vice Chief of Staff. There I learned the most effective way to deal with Congress. Members of Congress are very busy people who are not entertained by a large retinue of people offering answers. They really want to know whether the principal witness knows what he is talking about. I also learned that if you don't know the answer, tell them you don't know but you'll get the answer fast. Then get it back to them within 24 hours. That usually buys you some grace time.

Not one of my intelligence colleagues took the time to get acquainted with the congressional staffers or to read the files. If you go back and look at the reporting from the hearings, you'll see that all my colleagues got beaten up on because they were very frequently surprised by the topics that came up. Unfortunately, given the adversarial situation that had come about, it wasn't a time when you could say, "I don't know but I'll find out." They all ended up pretty badly battered by the process.

IT'S OFTEN THE CAREER PERSON WHO HAS TO MAKE SURE OVERSIGHT WORKS

Now, the experience with the Pike and Church committees really raised an important issue -- how, in a non-crisis mode, should the Executive Branch deal with the Congress, particularly in areas where highly sensitive information is being dealt with?

I began with an approach that got me in some difficulty with succeeding administrations. I concluded that intelligence -- information on foreign countries, foreign activities -- is essentially a common good and that people who understand it are more likely to make the right decisions and to reach comparable decisions. Therefore it was a distinct advantage for both the Executive Branch

and the legislative leadership, who would be shaping policy, to have a common understanding of the basic facts related to foreign activities.

The challenge was to do that in a manner in which the security of the information would be protected. It is here that this country owes an enormous debt of gratitude to Senators Daniel Inouye (D-Hawaii) and Barry Goldwater (R-Arizona). Senator Inouye became the first Chairman of the permanent Senate Select Committee on Intelligence after the Church Committee had ended. He came over to the Pentagon for a visit. His basic question was, "What do I have to do as Chairman to get a flow of information so that I don't have to ask the right question in order to find out what is going on?"

"Intelligence is essentially a common good and people who understand it are more likely to make the right decisions and to reach comparable decisions."

We responded that the key was confidence in the protection of classified information and a comfort level that it would not be extracted and used for political purposes. In other words, that they would work very hard at making the process bipartisan, not partisan. Senator Inouye as Chairman and Senator Goldwater as Vice Chairman reached agreement early on those two basic principles.

They also put in place a structure to assure confidentiality. All staff would belong to the Committee, not to the Senators -- each Senator could have one designee. All classified material would be retained within the offices of the Committee. None could be taken to individual offices. The staff could not be involved in the operations of the Senators on non-Committee related business, and under no circumstances could they become involved in the Senator's ongoing relationships with the media.

Six weeks after that structure was in place, one of the Senators used his designee to help write a press release. Senator Inouye fired the staffer. The problem Senator raced down to say, "You can't do that." The Chairman made it very clear that he had just done it and that it would stick. I would put the record of the Senate Select Committee for the next three years up against any part of this government for its handling of classified information. (*See the insert on this page for Senator Inouye's comments on the Senate Select Committee made during the Iran-Contra hearings.*)

And when I look at the serious problem I was having in the Executive Branch with the handling of classified information, it helped make me more of a partisan about the validity of oversight and the value of discipline. In the same time frame I watched a great many leaks of classified information in the Executive Branch and raised issues about it. It was frequently pretty clear who was doing the talking, but very, very difficult to find a President who was willing to fire one of his senior assistants.

Senator Inouye and Lt. Col. North discuss congressional oversight of intelligence activity.

The recent Iran-Contra hearings included a full-fledged confrontation between the committees and North over his view that Congress could not be trusted with the secrets of his covert operations.

North spoke of Congress' "incredible leaks," which he said came when American lives were at stake. "Those kind of [leaks] are devastating," North said. "They are devastating to the national security of the United States."

An evidently angry Sen. Daniel K. Inouye (D.-Hawaii), Chairman of the Senate investigative committee, confronted North: "I've sat here very patiently listening to statements suggesting that members of Congress can't be trusted with the secrets of this land. I have not discussed this in public before, but I did serve on the Intelligence Committee for 8 years, serving as Chairman for the first 2 years. In fact, it was my assignment to organize the Intelligence Committee. During that period, according to the Federal Bureau of Investigation, the Central Intelligence Agency, and the National Security Agency, there wasn't a single leak from that Senate Select Committee On Intelligence. I am certain that you are a well aware that most of the leaks in this city come from the other side of Pennsylvania Avenue."

Excerpted from The Washington Post,
July 9, 1987

MAKING OVERSIGHT WORK CAN ENTAIL RISK TAKING

The question is did all that effort to make congressional oversight work have a payoff for me in the Executive Branch? The direct answer is no. I found that a frequent interpretation of separation of powers prevailed across administrations -- knowledge is power and knowledge held by the Executive Branch is its property. The attitude that you automatically share the results with Congress was very suspect.

There were instances in my last job where a very senior member of the Executive Branch railed on about my leaking information. When I went to confront it head on, I finally heard the problem was that I had given information to Congress. Providing substantive information on ongoing matters to Congress was viewed as leaking information!

Don't blame the bureaucracy automatically for a reluctance to exchange information with the Congress, to keep a valuable dialogue going. The tendency of the political leadership to want to hold its cards very close is not limited to a single political party.

THERE ARE ALWAYS OPPORTUNITIES TO TAKE RISKS BY ASSUMING RESPONSIBILITY FOR MAKING THE PROCESS WORK

There are a lot of opportunities to take risks. There are not many natural ongoing reward systems in place to encourage you to take risks. However promotion clearly comes faster if you do. The opportunities come faster for those who are risk takers. That is pretty obvious to most everyone early on.

Risk taking means taking a new approach, a very different approach in spite of conventional wisdom that says, "Gee, that's not the way we do things, or that won't be well received one place or the other." It's carefully looking at a problem and deciding that the approaches being taken simply won't work and then taking a different approach to try to deal with it -- or, on occasion, taking a stand on a matter of principle.

The critical problem in risk taking in government service is sorting out what really matters, what is worth taking a risk on. It's not just taking a risk for the sake of visibility. It's studying and understanding issues and deciding whether taking a very different approach is necessary in order to get out of the very structured environment in which you find yourself.

I had a very tough problem. Information came to me that raised questions about the performance of a relative of a President. I elected to go straight to the Attorney General with the information.

He dealt with it in an extremely responsible way. The manner in which that information had become available was itself extraordinarily sensitive. It was an access route that produced other information of great value in dealing with the terrorist problem.

The Attorney General made a judgement to pursue the matter but to totally protect how the information was derived. He was later dealt with, I thought, in a very unprofessional manner by one of his own senior people who questioned his motives and his handling of it. I think he was dealt with very unfairly.

Those were not easy decisions for the Attorney General to make. There is some risk taking in the process. I think you really have to call them as you see them.

IF IT'S A MATTER OF PRINCIPLE, YOU HAVE TO BE READY TO GO ALL THE WAY

I was asked what would I have done if Senator Inouye had not carried out his part of the bargain on protecting sensitive information? I would have gone to the Congressional leadership. In a subsequent time period, in a different setting, I did just that. I found that it was entirely feasible to go to the leadership in either body when you had a real worry about the handling of sensitive information. You go to the Speaker or to either the Majority or the Minority Leader, who will normally take you to see the others involved in the process.

I have one episode I will tell you about. The leadership had changed and we were heading into the ratification of the Salt II agreement. There was much hand wringing in the Executive Branch about how that ratification process was going to destroy our sources of important information about the Soviet Union. It was a warning system, but it was also the way we did much of the verification.

"The critical problem in risk taking in government service is sorting out what really matters, what is worth taking a risk on."

There was an absolute unwillingness in the Executive Branch to approach the Congress and talk about the problem. I was Director of the National Security Agency, and I had more at stake in protecting sources and methods than anyone else in the intelligence community because many of the people who provide day-to-day verification were under my responsibility. I decided to take the initiative.

The only person I told what I was going to do was the one person for whom I directly worked, the Secretary of Defense, Dr. Brown. He interposed no objection. I went to see Senator Baker. He accepted the issue as a valid concern and took me to see Senator Byrd. They said, "Let us think about it."

About three days later I got a call to come back for a meeting with the Chairmen and senior ranking minority members of the Foreign Relations, Armed Services, Judiciary, and Intelligence Committees. I talked about the confidentiality problem, and they decided then and there how all those issues would be handled. They reached agreement that, if certain topics came up, they would be referred to the Senate Select Committee.

Verification did become a contentious part of the ratification process. The shallowness of our ability, the lack of redundancy made verification the key factor in Senator Glenn deciding not to support ratification. He took a number of people with him.

So there were probably those who look at the outcome and say it was a mistake to give the Senator the opportunity to get that deeply involved in the details. If they had kept everything in the Foreign Relations Committee the outcome might have been different.

But the answer to effective oversight is dialogue. And the responsibility to initiate that dialogue belongs with the Executive Branch. If you don't do it, then you are always going to be in a reactive mode and it's likely that you are not going to be able to control it.

THE RISK IS THAT PROMOTING DIALOGUE WILL NOT BE WELCOMED BY SOME IN THE EXECUTIVE BRANCH

As I think back about risk taking it reminds me of the following story. On my last job I found myself being asked on occasion to talk to the Senate minority to try to bring them around on a specific problem. There were a handful of Senators who would gather on request, and I would try to explain what was behind something.

Secretary Haig had testified in open session of the House Foreign Affairs Committee that he was absolutely certain that the direction of the guerrilla activity in El Salvador was coming from outside El Salvador as were the flow of arms and equipment.

Our friends in the media instantly recognized a good story. All the questions around the policy debate became, "How do you know that?" There was the usual response from the Executive Branch -- don't tell them how we know that.

Discussion of the matter would be a problem. As in a great many cases, your access is often so fragile that the mere identification of which agency provides it automatically points to a source of the information.

As part of my responsibilities I called the usual group of Senators together, Senator Dodd, Senator Tsongas, Senator Sarbanes. I took up the the classified information on El Salvador. I said, "You are permitted as members of Congress to have access to classified information with the understanding that it be protected." I laid out the evidence. They looked at it all, and Senator Dodd sat down and wrote the response, two lines, and they all signed it.

"The answer to effective oversight is dialogue. And the responsibility to initiate that dialogue belongs with the Executive Branch."

The first sentence said, "We have examined the information related to this and it is clear that the direction and the flow of arms for the guerrilla activity is coming from outside El Salvador." The second sentence said, "And we do not agree with the Administration's policy on how to deal with the problem."

That took away the public debate on sources. The "how do you know that?" issue died. Sources must be protected. But I will tell you that my popularity was not increased with certain sectors in the Executive Branch.

The point here is that government professionals can sometimes find themselves in direct conflict with the policy process when they are trying to carry out their responsibilities. That role does not always further selling the policy that the Executive Branch wants to sell.

THE KEY TO SUCCESS IN A LOT OF THE GOVERNMENT INTELLIGENCE WORK IS PATIENCE

An unpleasant and eroding factor in the intelligence area was the need to deal with an endless interagency process where turf protection was the number one ingredient in addressing almost any issue, any problem.

Raising teenagers, which requires you to develop patience, is probably the best experience to prepare you for that process. I am not sure I did that well in my own family, and I don't really have very much good advice for you. I lived with it, eventually came to just hate the time that I wasted in the process. When I look back on occassions where I had some effectiveness in dealing with it, the key was patience. You can segment problems and move forward, but you can't accomplish everything that you would like to do.

Admiral Inman On Managing In The Public And Private Sectors

A CAREER DEVELOPMENT PROGRAM CAN IMPROVE AGENCY PERFORMANCE

I am persuaded from a variety of jobs I've held that if you, as the head of an agency, spend time on human resources -- work on career development -- you can have a positive impact on performance, particularly in the civilian sector.

But there is a great reluctance to do that by many of the people who come to those jobs. They take the attitude that they are only going to be there for two years and there is always a great deal of pain and anguish when you start changing personnel and promotion systems. It's just not worth the bother.

I simply did not find over my years of government service that the bureaucracy was resistant to change. If they thought that you had reasonably thought through where you wanted to go and that you tried to share it with them, they would be supportive of the effort. That was more the case and more quickly the case where you had already established credibility. Nothing affects your credibility with the career public servants more than visible interest in their own career development. They judge pretty quickly if this is show and tell or if it is real. And how much time does it really take on your agenda?

CAREER DEVELOPMENT FOR STAFF IS A PROFESSIONAL RESPONSIBILITY OF THE EXECUTIVE

I had a unique career, one in which luck played a repeated role. I worked hard in all the jobs I had, but I also was given a lot of opportunities to show what I could do. You can never repay the people who gave you an opportunity. The only thing you can do is try to repeat the process for others.

When I got to the National Security Agency I found that previous directors had not elected to spend much time on the civilian personnel process. But my earlier assignment as director of Naval Intelligence had persuaded me that this was a process that offered great promise for obtaining outstanding support from the bureaucracy for what you wanted to do.

So my first action -- the first week I was there -- was to create a Civilian Career Executive Development Board. I was faced with a situation where most of the World War II leadership was retired and the leaders coming out of the Korean War had already been pretty well spotted and placed. But it was not clear to me that there was any kind of comparable effort to say who were the next leaders. So I required the Board to look at everybody who was a GS-14 or 15 and tell me who were the water walkers, the ones who at that stage had already demonstrated the potential for taking on substantially larger responsibilities.

"You can never repay the people who gave you an opportunity. The only thing you can do is try to repeat the process for others."

We spent three months debating it and doing it. I pressed hard to get it done quickly. Then I dropped the other shoe. I required that we move every one of those people into some new job over the following year and give them some significant additional responsibilities in new areas.

That was not the most popular decision, but the senior management complied. They had done a beautiful job of selecting people. Only a few fell out of the tree; the rest all flew. In the third year we began moving them into jobs where they were going to stay for a long time. It has given me a great deal of pleasure to watch a number of them move up to very senior positions in the agency.

Subsequent directors have not put as much effort into career development, but the process stays reasonably alive. Why was career development so high on my list of priorities? Because that was the only way I felt I could repay all the people who had given me the opportunities early on. Those opportunities always came from somebody deciding to gamble on me outside the normal pattern or normal flow of jobs that would come along.

PUBLIC AND PRIVATE SECTOR MANAGEMENT HAVE SOME SIMILARITIES

The reality that government budgets are primarily done on a single year basis makes the government service parallel, in many ways, to what I am now finding in the private sector. Risk taking in the private sector is affected

by what is going to be the reaction to this quarter's results and this year's results, not to the impact three, four or five years down the way.

It is the same in government. All the focus is on how you impact this year's budget decision, not on taking the risk that you are going to make a difference in an organization four or five years from now.

I am much less arrogant on this issue than I was four years ago, having participated in an annual meeting for a company losing money. Of the shareholders who were there -- democracy at work -- not a single one of them asked, "What are you doing to make this company healthy five years from now? What great long-range programs do you have?" All of the questioning was on the short term -- "What are you going to do now to get up the value of my stock within the next three months, and when is the dividend going up?" And it was not just the large institutional investors who brought up that problem.

It sure is a lot easier to manage in the private sector because you have the capacity to reward performance with money. You don't have to rely on the ceremonies and all the morale building to enhance peoples' image of their own success. You just very quickly write out a bonus check.

That is an enormous time saver. But I am not sure it is, over the long term, as effective because I see an awful lot more mobility in the private sector then I find in government. I frankly found more loyalty to institutions in government than I find in the private sector.

Admiral Inman On The Center: "We need a focused agenda and a process for addressing issues of excellence in government management."

For over 31 years I had the privilege of working with a great many very, very competent people. In reflecting on it from a somewhat removed distance, there were more frustrations out of that experience that I had realized at the time. My frustrations with government management fall into five areas: reward systems, leadership, management involvement in human resource development, relationships with the media, and relationships between the Executive Branch and the Congress.

There is a need for us to work over the long term on issues in these areas. For example, how do you bring about a better dialogue between Congress and the Executive Branch? Changing to multiple year budgets would be one way. Then you can get debate on priorities as opposed to how you change this year's budget. You could start with one or two Departments that would like to be part of an experiment in multi-year budgeting.

The personal reward system, another issue area, is harder to deal with. It's not helped by the inclination of the political leadership to campaign against the bureaucracy. That is a natural tendency, and when it has been effective there is an incentive to repeat it.

We also need to be able to deal more effectively with marginal performance inside the bureaucracy. The processes in place now are too complex, too time consuming. We really do need to reward good performance, but we also must be able to deal with poor performance.

These Center dialogues, I believe, underline the need to work over the long term on some definable issues on excellence in government.

THE CENTER FOR EXCELLENCE IN GOVERNMENT

The Center for Excellence in Government is dedicated to creating an environment within the public sector that attracts outstanding managers and promotes excellence in management. The Center is made up of over 260 business leaders -- called Principals of The Center -- who previously served as government executives. The Principals have extensive experience as public servants, creative ideas about how to improve both the reality and perception of government performance, and a strong commitment to public service. With expertise in both public and private sector management, they can make a significant contribution to improving government performance and public attitudes toward government.

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University Research Corporation
Bethesda, Maryland

To receive further information about The Center, please write or telephone:

Mr. Mark A. Abramson
Executive Director
The Center for Excellence in Government
20 F Street, N.W.
Washington, D.C. 20001
(202) 628-2277